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**DEPARTMENT OF COMMERCE**

**International Trade Administration**

**[A-520-807]**

**Circular Welded Carbon-Quality Steel Pipe from the United Arab Emirates: Preliminary Results of Antidumping Duty Administrative Review; 2016-2017**

**AGENCY:** Enforcement and Compliance, International Trade Administration, Department of Commerce.

**SUMMARY:** The Department of Commerce (Commerce) preliminarily determines that sales of circular welded carbon-quality steel pipe (CWP) from the United Arab Emirates (UAE) have been made below normal value. We invite interested parties to comment on these preliminary results.

**DATES:** Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

**FOR FURTHER INFORMATION CONTACT:** Manuel Rey or Whitley Herndon, AD/CVD Operations, Office II, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-5518 or (202) 482-6274, respectively.

**SUPPLEMENTARY INFORMATION:**

Background

Commerce is conducting an administrative review of the antidumping duty order on CWP from the UAE. The notice of initiation of this administrative review was published on

February 23, 2018.<sup>1</sup> This review covers nine producers and exporters of the subject merchandise. The period of review is June 8, 2016 through November 30, 2017. Commerce exercised its discretion to toll all deadlines affected by the partial federal government closure from December 22, 2018, through the resumption of operations on January 29, 2019.<sup>2</sup> If the new deadline falls on a non-business day, in accordance with Commerce's practice, the deadline will become the next business day. The revised deadline for the preliminary results is now February 12, 2019.

Commerce selected two mandatory respondents for individual examination: Ajmal Steel Tubes & Pipes Ind. L.L.C. (Ajmal)/Noble Steel Industries L.L.C (Noble Steel) (collectively, Ajmal Steel)<sup>3</sup> and Universal Tube and Plastic Industries, Ltd./THL Tube and Pipe Industries LLC (TTP)/KHK Scaffolding and Formwork LLC (collectively, Universal).<sup>4</sup> In August 2018, Commerce extended the preliminary results of this review to no later than January 3, 2019.<sup>5</sup>

#### Scope of the Order

The merchandise subject to the order is welded carbon-quality steel pipes and tube, of circular cross-section, with an outside diameter not more than nominal 16 inches (406.4 mm), regardless of wall thickness, surface finish (*e.g.*, black, galvanized or painted), end finish (plain

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<sup>1</sup> See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 83 FR 8058 (February 23, 2018) (*Initiation Notice*).

<sup>2</sup> See Memorandum, "Deadlines Affected by the Partial Shutdown of the Federal Government," dated January 28, 2019. All deadlines in this segment of the proceeding have been extended by 40 days.

<sup>3</sup> On December 11, 2018, we preliminarily collapsed Ajmal and Noble Steel. See Memorandum, "Whether to Collapse Ajmal Steel Tubes and Pipes Ind. L.L.C. and Noble Steel Industries L.L.C. in the 2016-2017 Antidumping Duty Administrative Review of Circular Welded Carbon-Quality Steel Pipe from the United Arab Emirates," dated December 11, 2018.

<sup>4</sup> On January 31, 2019, we preliminarily found that TTP is the successor-in-interest to Universal Tube and Pipe Industries Limited. See Memorandum, "Successor-In-Interest Determination in the 2016-2017 Antidumping Duty Administrative Review on Circular Welded Carbon-Quality Steel Pipe from the United Arab Emirates," dated January 31, 2019.

<sup>5</sup> See Memorandum, "Circular Welded Carbon-Quality Steel Pipe from the United Arab Emirates: Extension of the Deadline for Preliminary Results of Antidumping Duty Administrative Review," dated August 23, 2018.

end, beveled end, grooved, threaded, or threaded and coupled), or industry specification (*e.g.*, American Society for Testing and Materials International (ASTM), proprietary, or other), generally known as standard pipe, fence pipe and tube, sprinkler pipe, and structural pipe (although subject product may also be referred to as mechanical tubing). The products subject to this order are currently classifiable in Harmonized Tariff Schedule of the United States (HTSUS) statistical reporting numbers 7306.19.1010, 7306.19.1050, 7306.19.5110, 7306.19.5150, 7306.30.1000, 7306.30.5015, 7306.30.5020, 7306.30.5025, 7306.30.5032, 7306.30.5040, 7306.30.5055, 7306.30.5085, 7306.30.5090, 7306.50.1000, 7306.50.5030, 7306.50.5050, and 7306.50.5070. Although the HTSUS numbers are provided for convenience and for customs purposes, the written product description remains dispositive.<sup>6</sup>

#### Methodology

Commerce is conducting this review in accordance with section 751(a)(1)(B) and (2) of the Tariff Act of 1930, as amended (the Act). Export price and constructed export price are calculated in accordance with section 772 of the Act. Normal value is calculated in accordance with section 773 of the Act.

For a full description of the methodology underlying our conclusions, *see* the Preliminary Decision Memorandum. The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>, and to all parties in the Central Records Unit, room B8024 of the main Commerce building. In addition, a complete version of the Preliminary Decision Memorandum

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<sup>6</sup> For a complete description of the scope of the Order, *see* Memorandum, "Decision Memorandum for the Preliminary Results of the 2016-2017 Administrative Review of the Antidumping Duty Order on Circular Welded Carbon-Quality Steel Pipe from the United Arab Emirates," dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

can be accessed directly at <http://enforcement.trade.gov/frn/>. The signed and electronic versions of the Preliminary Decision Memorandum are identical in content. A list of the topics discussed in the Preliminary Decision Memorandum is attached as an Appendix to this notice.

#### Preliminary Results of the Review

As a result of this review, we preliminarily determine that weighted-average dumping margins exist for the respondents for the period June 8, 2016, through November 30, 2017, as follows:

<b><u>Exporter / Producer</u></b>	<b><u>Weighted-Average Dumping Margin (Percent)</u></b>
Ajmal Steel Tubes & Pipe Ind. L.L.C./Noble Steel Industries L.L.C	5.28
Universal Tube and Plastic Industries, Ltd./Universal Tube and Pipe Industries Limited/THL Tube and Pipe Industries LLC <sup>7</sup> /KHK Scaffolding and Formwork LLC	1.65

Review-Specific Average Rate Applicable to the Following Companies:<sup>8</sup>

<b><u>Exporter / Producer</u></b>	<b><u>Weighted-Average Dumping Margin (Percent)</u></b>
Abu Dhabi Metal Pipes and Profiles Industries Complex	3.47
Ferrolab LLC	3.47
Global Steel Industries	3.47
Lamprell	3.47
Link Middle East Ltd.	3.47
PSL FZE	3.47

<sup>7</sup> As noted above, we preliminarily determined that THL Tube and Pipe Industries LLC is the successor-in-interest to Universal Tube and Pipe Industries Limited.

<sup>8</sup> This rate is based on the simple average margin using the publicly-ranged data calculated for those companies selected for individual review. Because we cannot apply our normal methodology of calculating a weighted-average margin due to requests to protect business proprietary information, we find this rate to be the best proxy of the actual weighted-average margin determined for the mandatory respondents. *See Ball Bearings and Parts Thereof from France, et al.: Final Results of Antidumping Duty Administrative Reviews, Final Results of Changed-Circumstances Review, and Revocation of an Order in Part*, 75 FR 53661, 53663 (September 1, 2010).]

Three Star Metal Ind LLC	3.47
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### Disclosure and Public Comment

Commerce intends to disclose the calculations performed in connection with these preliminary results to interested parties within five days after the date of publication of this notice.<sup>9</sup> Interested parties may submit case briefs to Commerce no later than 30 days after the date of publication of this notice.<sup>10</sup> Rebuttal briefs, limited to issues raised in the case briefs, may be filed no later than five days after the time limit for filing case briefs.<sup>11</sup> Parties who submit case briefs or rebuttal briefs in this proceeding are encouraged to submit with each argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.<sup>12</sup> Case and rebuttal briefs should be filed using ACCESS.<sup>13</sup>

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing must submit a written request to the Assistant Secretary for Enforcement and Compliance, filed electronically via ACCESS. An electronically-filed document must be received successfully in its entirety by ACCESS by 5 p.m. Eastern Time within 30 days after the date of publication of this notice.<sup>14</sup> Hearing requests should contain: (1) the party's name, address, and telephone number; (2) the number of participants; and (3) a list of issues to be discussed. Issues raised in the hearing will be limited to issues raised in the briefs. If a request for a hearing is made, parties

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<sup>9</sup> See 19 CFR 351.224(b).

<sup>10</sup> See 19 CFR 351.309(c).

<sup>11</sup> See 19 CFR 351.309(d).

<sup>12</sup> See 19 CFR 351.309(c)(2) and (d)(2).

<sup>13</sup> See 19 CFR 351.303.

<sup>14</sup> See 19 CFR 351.310(c).

will be notified of the time and date for the hearing to be held at the U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230.<sup>15</sup>

Commerce intends to issue the final results of this administrative review, including the results of its analysis raised in any written briefs, not later than 120 days after the publication date of this notice, pursuant to section 751(a)(3)(A) of the Act, unless otherwise extended.<sup>16</sup>

#### Assessment Rates

Upon completion of the administrative review, Commerce shall determine, and CBP shall assess, antidumping duties on all appropriate entries.

Pursuant to 19 CFR 351.212(b)(1), because Ajmal Steel and Universal reported the entered value of their U.S. sales, we calculated importer-specific *ad valorem* duty assessment rates based on the ratio of the total amount of dumping calculated for the examined sales to the total entered value of the sales for which entered value was reported. Where either the respondent's weighted-average dumping margin is zero or *de minimis* within the meaning of 19 CFR 351.106(c)(1), or an importer-specific rate is zero or *de minimis*, we will instruct CBP to liquidate the appropriate entries without regard to antidumping duties. We intend to instruct CBP to take into account the "provisional measures deposit cap," in accordance with 19 CFR 351.212(d).

For the companies which were not selected for individual review, we will assign an assessment rate based on the average<sup>17</sup> of the cash deposit rates calculated for Ajmal Steel and Universal, excluding any which are *de minimis* or determined entirely based on adverse facts available. The final results of this review shall be the basis for the assessment of antidumping

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<sup>15</sup> See 19 CFR 351.310(d).

<sup>16</sup> See section 751(a)(3)(A) of the Act.

duties on entries of merchandise covered by the final results of this review and for future deposits of estimated duties, where applicable.

Commerce's "automatic assessment" practice will apply to entries of subject merchandise during the POR produced by companies included in these final results of review for which the reviewed companies did not know that the merchandise they sold to the intermediary (*e.g.*, a reseller, trading company, or exporter) was destined for the United States. In such instances, we will instruct CBP to liquidate unreviewed entries at the all-others rate if there is no rate for the intermediate company(ies) involved in the transaction.<sup>18</sup>

We intend to issue liquidation instructions to CBP 15 days after publication of the final results of this review.

#### Cash Deposit Requirements

The following deposit requirements will be effective for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of this administrative review, as provided by section 751(a)(2)(C) of the Act: 1) the cash deposit rate for the exporters listed above will be that established in the final results of this review, except if the rate is less than 0.50 percent and, therefore, *de minimis* within the meaning of 19 CFR 351.106(c)(1), in which case the cash deposit rate will be zero; 2) if the exporter is not a firm covered in this review, or the original less-than-fair-value (LTFV) investigation, but the manufacturer is, the cash deposit rate will be the rate established for the most recent segment for the manufacturer of the merchandise; and 3) the cash deposit rate for all other manufacturers or exporters will continue to be 5.95 percent, the all-others rate made

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<sup>17</sup> This rate was calculated as discussed in footnote 7, above.

<sup>18</sup> For a full discussion of this practice, see *Antidumping and Countervailing Duty Proceedings: Assessment of Antidumping Duties*, 68 FR 23954 (May 6, 2003).

effective by the LTFV investigation.<sup>19</sup> These deposit requirements, when imposed, shall remain in effect until further notice.

#### Notification to Importers

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in Commerce's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

We are issuing and publishing these results in accordance with sections 751(a)(1) and 777(i)(1) of the Act and 19 CFR 351.221(b)(4).

Dated: February 8, 2019.

**Christian Marsh,**

*Deputy Assistant Secretary*

*for Enforcement and Compliance.*

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<sup>19</sup> See *Circular Welded Carbon-Quality Steel Pipe from the Sultanate of Oman, Pakistan, and the United Arab Emirates: Amended Final Affirmative Antidumping Duty Determination and Antidumping Duty Orders*, 81 FR 91906 (December 19, 2016).



## **Appendix**

### **List of Topics Discussed in the Preliminary Decision Memorandum**

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- V. Successor-in-Interest
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- 3. Test of Comparison Market Sales Prices
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